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INTRODUCTION

The Lighthouse of Oakland County entered into contract numbers ES-01-63002 and ES-02-63002 with the Michigan Family Independence Agency (FIA) to provide Homeless Prevention, Homeless Transition, Transition Assistance, and Emergency Medical Assistance. These services were to assist clients to stay in their own home, find housing, prevent utilities from being shut-off, pay for one time prescriptions, and offer information on other community services that are available for ongoing medical assistance. Lighthouse of Oakland County was reimbursed for units of service incurred through submission of monthly billings to FIA. The ES contract totaled \$249,990 for the period October 1, 2000 through September 30, 2001 and \$227,369 for the period October 1, 2001 through September 30, 2002.

SCOPE

The Office of Internal Audit performed an audit of Lighthouse of Oakland County to determine if the agency's billings were accurate, and if costs billed were allowable and properly supported by the accounting records and supporting documentation in accordance with the terms of the contract. Our audit covered the period October 1, 2000 through September 30, 2001, and October 1, 2001 through December 31, 2001.

EXECUTIVE SUMMARY

Based on our audit, we conclude that Lighthouse of Oakland County has overbilled FIA \$780 for the ES contract. Our report recommends the Child and Family Services Administration recoup \$780 from Lighthouse of Oakland County and inform them to maintain case records for six years as required by the contract.

AGENCY RESPONSE

The management of Lighthouse of Oakland County has reviewed the findings and recommendations included in this report. They indicated in a telephone conversation on May 21, 2002 that they do not agree with finding #1 because their listing of contacts had been considered adequate documentation for FIA contract monitoring reviews.

FINDINGS AND RECOMMENDATIONS

ES Contract

Transition Assistance

1. Lighthouse of Oakland County overbilled FIA \$780 for Transition Assistance services. The case manager maintained a Client Visitation List with the client's name and time spent with the client. Lighthouse of Oakland County had no case records to document the services provided. However, we were able to verify service provided to two clients on the log through a third party, and one client's case notes were available electronically. Therefore, we allowed the \$760 billed for these three clients.

WE RECOMMEND that the Child and Family Services Administration initiate the process to recoup \$780 from Lighthouse of Oakland County for Transition Assistance costs that are not supported by the case records.

WE ALSO RECOMMEND that the Child and Family Services Administration remind Lighthouse of Oakland County of the requirement to maintain documentation of billed costs for six years.

Homeless Prevention, Homeless Transition and Emergency Medical

2. Lighthouse of Oakland County's monthly billings for Homeless Prevention, Homeless Transition and Emergency Medical were proper, accurate, documented, and charged in accordance with the terms of the contract for fiscal year 2001 and 2002.